

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1008

Introduced by Janssen, 15.

Read first time January 20, 2010

Committee: Revenue

A BILL

1 FOR AN ACT relating to the Nebraska Budget Act; to amend section
2 13-504, Reissue Revised Statutes of Nebraska; to provide
3 for cash basis or modified accrual or encumbrance basis
4 budget statements as prescribed; and to repeal the
5 original section.

6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-504, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 13-504 (1) Each governing body shall annually prepare
4 a proposed budget statement on forms prescribed and furnished
5 by the auditor. The proposed budget statement shall be made
6 on a cash basis or on a modified accrual or encumbrance basis
7 at the discretion of the governing body. The proposed budget
8 statement shall be made available to the public by the political
9 subdivision prior to publication of the notice of the hearing
10 on the proposed budget statement pursuant to section 13-506. A
11 proposed budget statement shall contain the following information,
12 except as provided by state law:

13 (a) For the immediately preceding fiscal year, the
14 revenue from all sources, including motor vehicle taxes, other
15 than revenue received from personal and real property taxation,
16 allocated to the funds and separately stated as to each such
17 source: The unencumbered cash balance at the beginning and end of
18 the year; the amount received by taxation of personal and real
19 property; and the amount of actual expenditures;

20 (b) For the current fiscal year, actual and estimated
21 revenue from all sources, including motor vehicle taxes, allocated
22 to the funds and separately stated as to each such source: The
23 actual unencumbered cash balance available at the beginning of the
24 year; the amount received from personal and real property taxation;
25 and the amount of actual and estimated expenditures, whichever

1 is applicable. Such statement shall contain the cash reserve for
2 each fiscal year and shall note whether or not such reserve is
3 encumbered. Such cash reserve projections shall be based upon the
4 actual experience of prior years. The cash reserve shall not exceed
5 fifty percent of the total budget adopted exclusive of capital
6 outlay items;

7 (c) For the immediately ensuing fiscal year, an estimate
8 of revenue from all sources, including motor vehicle taxes, other
9 than revenue to be received from taxation of personal and real
10 property, separately stated as to each such source: The actual or
11 estimated unencumbered cash balances, whichever is applicable, to
12 be available at the beginning of the year; the amounts proposed
13 to be expended during the year; and the amount of cash reserve,
14 based on actual experience of prior years, which cash reserve shall
15 not exceed fifty percent of the total budget adopted exclusive of
16 capital outlay items;

17 (d) A statement setting out separately the amount sought
18 to be raised from the levy of a tax on the taxable value of real
19 property (i) for the purpose of paying the principal or interest on
20 bonds issued by the governing body and (ii) for all other purposes;

21 (e) A uniform summary of the proposed budget statement,
22 including each proprietary function fund included in a separate
23 proprietary budget statement prepared pursuant to the Municipal
24 Proprietary Function Act, and a grand total of all funds maintained
25 by the governing body; and

1 (f) For municipalities, a list of the proprietary
2 functions which are not included in the budget statement. Such
3 proprietary functions shall have a separate budget statement which
4 is approved by the city council or village board as provided in the
5 Municipal Proprietary Function Act.

6 (2) The actual or estimated unencumbered cash balance
7 required to be included in the budget statement by this section
8 shall include deposits and investments of the political subdivision
9 as well as any funds held by the county treasurer for the political
10 subdivision and shall be accurately stated on the proposed budget
11 statement.

12 (3) The political subdivision shall correct any material
13 errors in the budget statement detected by the auditor or by other
14 sources.

15 (4) The auditor shall create forms to allow a governing
16 body to report the information required in this section on a
17 cash basis or the equivalent information on a modified accrual or
18 encumbrance basis.

19 Sec. 2. Original section 13-504, Reissue Revised Statutes
20 of Nebraska, is repealed.